

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF FINANCIAL ASSISTANCE**

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**CDBG****Community Development Block Grant Program****MANAGEMENT MEMORANDUM****Memorandum Number 09-09**

Date: October 6, 2009

To: All Eligible Jurisdictions and Interested Parties

SUBJECT: CDBG Standard Agreement Extension Process

Purpose of this Memo:

The purpose of this management memo is to restate the process to request an extension for any CDBG or EDBG Standard Agreement.

Standard Agreement ("Contract") Extension Process:

In order to be considered for a Contract extension the Department requires the following:

- A written request on the jurisdictions letterhead.
- The request must be signed by the person authorized to sign the Contract.
- The request must be received, in writing, 90 days prior to the termination of the Contract.
- The request must clearly explain and document the cause of the delay
- The request must include a plan and timeline on the completion of the project that meets the Department's approval.

A Contract extension for programs and public services is an extremely rare occurrence with a very high level of justification.

For your guidance, generally the delay must have been caused by an outside party. Factors such as, a lack of interest in the program or inability to implement the project in a timely manner do not meet the threshold for approving an extension. Some factors that have led to extensions in the past were: lawsuits brought against the proposed project, the need for a right-of-way from a railroad or Caltrans, or the imposition of a sewer moratorium after the project was funded.

Note that a number of Contracts will expire on December 31, 2009. **A written request for an extension for those Contracts must be submitted no later than October 31, 2009 to be considered by the Department.** There maybe a few Contracts expiring earlier than December 31, 2009 and, if you determine that you want to request an extension, contact the Department immediately.

IMPORTANT NOTE: A Contract extension is only approved when the jurisdiction receives an approval letter signed by the Department Program Manager.